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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

In Re:) NO. 06-03138-JAR-11
)
NOLAND-DECOTO FLYING SERVICE, INC.) FINDINGS OF FACT AND
) CONCLUSIONS OF LAW
Debtor.) RELATING TO CONFIRMATION OF
) CHAPTER 11 PLAN
)

THIS MATTER having come on for hearing on January 23, 2008, at 11:00 A.M.
by telephone and at 9:00 A.M. on January 24, 2008 in Court, the Debtor being
represented by JAMES P. HURLEY, the U.S. Trustee being represented by GARY
DYER, Ron Bjur being represented by REED PELL, Merrill Lynch Bank being
represented by DANIEL CAINE, the Internal Revenue Service being represented by
ROLF TANGVALD, the Yakima Air Field / McAllister Terminal being represented by
RUSSELL GILBERT, the City of Yakima being represented by LAWRENCE WATERS,
the State of Washington being represented by ZACHARY MOSNER, and M.A. WEST
ROCKIES being represented by PAUL WILLIAMS, and the Court having considered all
objections filed in this matter and the argument of counsel, the testimony of BRAD
GOODSPEED, Vice President of the Debtor, now makes the following:

FINDINGS OF FACT AND
CONCLUSIONS OF LAW - Page 1

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FINDINGS OF FACT

1.
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3.

4 Debtor provided Notice of the approval of the Disclosure Statement, proposed
5 Plan of Reorganization and matters relating to confirmation of the Plan on November
6 19, 2007.
7

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9 2.

10 The Court finds that Notice was adequate and appropriate under the
11 circumstances.
12

13 3.

14 The Debtor filed a Report of Balloting on January 7, 2007, demonstrating that
15 Classes III, IV, V and VII voted to accept the Plan and that Class II voted to reject the
16 Plan. The Class II creditor is the Yakima County Treasurer, which holds a first lien on
17 the real and personal property of the Debtor and will be paid from the sale of Debtor's
18 assets in full.
19
20

21
22 4.

23 The Plan filed by the Debtor on September 21, 2007 under Docket Number 208,
24 and identified as the Third Amended Chapter 11 Plan of Reorganization, as modified by
25 the terms of the Order of Confirmation, complies with the requirements set forth in 11
26 U.S.C. § 1129(a) and 1129(b).
27
28

29 5.

30 The Debtor has requested and the Court has approved the sale of substantially
31 all of its personal property and real property assets for the sum of \$1,886,025.00, which
32 will provide funding for the Plan, provided said sale closes. Upon closing, the Plan
33

34 FINDINGS OF FACT AND
35 CONCLUSIONS OF LAW - Page 2

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1 provides for the distribution of all funds either through direct distribution through the
2 closing agent or through the interpleader of the funds to this Court for determination of
3 the amount of the priority of the remaining lien claims.
4

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6 6.

7 The Plan further provides for a means of resolution of the sale of Debtor's assets
8 in the event the pending sale does not close and makes provision for the Court to
9 determine any issues concerning the assignment of the Lease Agreement between the
10 Debtor and the Yakima Air Terminal to the Purchaser M.A. West Rockies.
11
12

13 7.

14 The Plan as modified makes specific provision for the payment of all
15 administrative expenses known at the time of confirmation within thirty (30) days of the
16 entry of the Order of Confirmation.
17
18

19 Based upon the foregoing, the Court now enters the following:

20 **CONCLUSIONS OF LAW**

21 1.

22
23 The Chapter 11 Plan is modified by these Findings and the Court's Order of
24 Confirmation and meets the requirements of 11 U.S.C. § 1129 and should be confirmed.
25

26 2.

27 The Court retains jurisdiction to resolve the remaining issues regarding the
28 disposition of Debtor's assets if the pending sale does not close.
29

30 3.

31
32 The Court retains jurisdiction to resolve the issue of the assignment of the Lease
33 between the Debtor and the Yakima Air Field to the prospective purchaser in the event
34

1 the parties cannot reach an agreement regarding the assignment of that lease.

2
3 4.

4 The Court retains jurisdiction as set forth in the Plan and in the interpleader
5 action provided for in the Plan to resolve any remaining issues regarding lien claims,
6 their priority and amount, following the disposition of Debtor's assets.
7

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9 Presented by:

10 /s/ James P. Hurley
11 JAMES P. HURLEY, WSBA #6615
12 Attorney for Debtor
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Frank L. Kurtz
Frank L. Kurtz
Bankruptcy Judge

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CONCLUSIONS OF LAW - Page 4

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